

Department of Public Works Utilities Division

> Guy Bralley, Water Resources Administrator Sandoval County Water Section PO Box 40 Bernalillo, NM 87004

Dear Mr. Bralley:

The City of Rio Rancho would like to take this opportunity to express our sincere interest in the County's ongoing efforts to develop a potable water supply. The City has had the pleasure of participating in many meetings with county officials regarding this endeavor and we appreciate the County's consideration of our long term water requirements in the development of this project's scope.

Our community faces a difficult and challenging future if reliable potable water supplies cannot be identified and developed. The ability to meet the needs of our growing customer base and our continuing desire to create jobs through the expansion of industrial enterprises will be greatly impacted if this challenge is not met. The City of Rio Raucho knows that the County shares our concern and we encourage your efforts to develop adequate water resources for our area.

When planning for future water supply time is not our ally. The City has an immediate need to solidify an expanded water supply of up to five (5) MGD over the next two years. In this regard the City could become the first wholesale customer of the County's water utility. Obviously, such a contractual relationship would be subject thru negotiation of mutually acceptable terms and conditions of a wholesale water purchase agreement.

At this time, given our City's need to secure future water resources, we would like to inform you of our intent to engage the County in negotiating a wholesale water agreement. We recognize that the County may not be in a position to initiate such negotiations now. The City encourages you to continue the aggressive development of this project such that we may begin serious deliberations as soon as possible. In the interim please accept this letter as the City's intent to continue participation in your planning efforts and to seriously consider this endeavor as a future water supply.

Sincerely.

Larry Webb

Utilities Division Manager

Cc: M

Mayor Tom Swisstack, City of Rio Rancho

Mr. James Jimenez, City Manager

Ms. Lisa Vornholt, P.E., Public Works Director